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Ms. Robin Sweeney
EIS Document Manager
Office of National Transportation
Office of Civilian Radioactive Waste Management
U.S. Department of Energy
1551 Hillshire Drive, M/S 011
Las Vegas, NV 89134

Re: Adverse Impacts of the Proposed Yucca Mountain Nuclear Waste Repository Rail Line East of Goldfield Nevada

Dear Ms. Sweeney:

Northwest Mining Association (NWMA) is a 109 year old, 1,500 member non-profit, non-partisan trade association based in Spokane, Washington. Our members reside in 42 states and are actively involved in exploration, mining operations and reclamation/closure activities on BLM administered land in every western state. Our membership represents every facet of the mining industry including geology, exploration, mining, engineering, equipment manufacturing, technical services, and sales of equipment and supplies. Our broad-based membership includes many small miners and exploration geologists as well as junior and large mining companies, including 227 in Nevada. Metallic Goldfield Inc. is an NWMA member.

We are writing in response to the Federal Register Notice of December 29, 2003 (Volume 68, Number 248, Pages 74965-74968) describing the Department of Energy's (DOE) application for withdrawal and segregation of the potential rail line alternate routes to the Yucca Mountain nuclear waste repository, and the subsequent scoping process the DOE is conducting. We urge the DOE to reject the proposed route near Goldfield (Subject Route), which would bisect Metallic Goldfield Inc.'s gold exploration and development project.

Metallic Goldfield Inc. and its predecessors have spent multiple millions of dollars in the acquisition of patented and unpatented mining claims as well as detailed exploration programs to develop mineral targets in the project area. These programs, which include geophysical and geochemical surveys, geologic mapping and drilling, have been conducted to understand the entire mineralized system. Numerous mineralized targets some of which may lie below the Subject Route, have been identified. Upon follow up, these exploration targets will likely generate greater mineral potential, given the potential magnitude of the district.

The proposed Subject Route through the Goldfield Project area should be eliminated from further consideration for the following reasons:

- The Goldfield District is an historic high grade gold district with past production of more than 4 million ounces of gold. Such districts frequently are developed into major mining operations utilizing modern exploration, development, mining and processing techniques.
- The Subject Route bisects areas of known alteration and mineralization with past precious metal production.
- The Subject Route interferes with plans to continue with exploration and advancement of the project in that area, and affects over 5,600 acres of patented and unpatented land that have been located, claimed, maintained and owned by a private party.

Northwest Mining Association • [REDACTED] • [REDACTED] • [REDACTED] • [REDACTED]
[REDACTED] • Fax [REDACTED] • E-mail: [REDACTED] • Internet: [REDACTED]

- The adverse long term economic impact of the Subject Route on local communities of Tonopah (Nye County seat) and Goldfield (Esmeralda County seat). Future exploration, development and mining of these mineralized lands create jobs and business development on which the rural communities rely. Withdrawal or segregation of the Subject Route from mineral entry will prevent or severely impair this potential economic impact. Once the line is completed, the shorter term positive economic impact of its construction will end, particularly if the line is not available for common use.
- The adverse economic impact on Metallic Ventures Gold Inc. will be significant due to the demonstrated mineral target and size potential of the district.
- Interference with business opportunity on both the local and corporate level.
- Other identified alternatives are available that will result in less adverse impact to all parties.
- Any route within the Nellis Air Force Range already has been withdrawn from mineral entry and is consistent with the security needs for a national nuclear repository. Furthermore, any alternative route within the Nellis Air Force Range will have the least possible adverse impact on the general public and economic development.

The Goldfield district was one of the richest and highest grade gold mining districts in the history of Nevada and the United States. From 1902 to 1918 there were reported more than 4.2 million ounces of gold mined, using historic mining and processing techniques, at an average grade of greater than one half ounce per ton of ore along with significant quantities of copper, silver and lead.

The Subject Route crosses the mapped ring fault system. The ring fault is the conduit for over 4 million ounces of historic gold production in what is referred to as the Main district and is a primary target for discovery of new ounces in throughout the district. Recent exploration on the ring fault system has discovered economic mineralization at McMahon Ridge.

Important volcanic formations are crossed by the Subject Route from the time it enters MGI land on the north until it leaves on the south. The Sandstorm Rhyolite, Mill Town Andesite, and several different dacite flows and intrusives that are crossed over by the Subject Route host economic mineralization elsewhere in the district.

Propylitic, silicification, and argillic alteration that indicate epithermal mineralization exists along the entire route. There are also high temperature alteration minerals that indicate a deeper porphyry system at depth. The Subject route also crosses through the "Burkett Trend", a major northwest structural fabric that contains strong alteration, ledge formation, and anomalous mineralization over a 15 mile strike length that includes MGI's Tom Keanne project, and is thought to be partly responsible for mineralization in the Main district.

The Subject Route also bisects the eastern portion of a deep mineral target zone that could host a world class copper-gold porphyry system. Important alteration, rock type, and geochemistry have been identified within this zone by previous work that identifies this target.

The Subject Route bisects the district in areas that would be important as haul road routes, dump sites, leach pad sites and mill sites as well as several existing roads that lead in and out of the area that have been in use since the early 20th century.

Metallic Goldfield Inc. currently owns or controls more than 1,200 patented and unpatented mining claims within the district. The Subject Route has the potential to adversely affect over 5,600 acres of patented and unpatented mining claims within the Goldfield Project.

Esmeralda and Nye Counties could lose significant economic benefit should the Subject Route be constructed as identified. Segregating or withdrawing the Subject Route would eliminate hundreds of potential jobs that would be created through the successful exploration and development of geologic resources. Each mine consistent with the size and nature of the deposit potential could employ up to 300 people. Jobs in the mining industry are exactly the kind of highly paid manufacturing jobs this country needs to retain, which has a positive economic impact throughout the community by the creation of direct and indirect support jobs. Generally, 11 indirect jobs are created for every direct mining job.

The State of Nevada would lose direct revenue if potential deposits are not developed and the State is not paid the Net Proceeds of Mine Tax. This in turn would again affect Esmeralda and Nye Counties who would benefit by payment of Net Proceeds of Mine Taxes through the proceeds sharing to the counties.

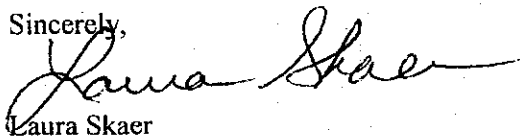
The existing alternative shown on the DOE transportation map within the Nellis Air Force Range from Caliente to the repository should be the preferred alternative. It is the most direct and least expensive route to construct. In fact, any route through the Nellis Air Force Range from Caliente to the repository should be first considered. They would have the least impact on the general public and public land rights, including those acquired under the General Land Laws and General Mining Laws. The area has been withdrawn from mineral entry, is secure and is consistent with the general purpose and safety of the nuclear waste repository for the United States. The presence of the Air Force would add to the security of the facility and with current technology, accuracy in the use of testing equipment should not present a problem.

If a route through the Nellis Air Force Range is not a viable alternative, then an alternate route located west of State Highway 95 A and the town of Goldfield that is NOT within the historic mining district should be selected. An alternate route west of Goldfield minimizes the adverse impact on property rights, Mining Law rights, and the potential economic development of the communities of Goldfield and Tonopah, Nevada.

Any route selected should assure availability for commercial use so the local communities benefit. Any action must assure the preservation of existing rights, including all rights granted by the Mining Law of 1872, as amended.

Please include my contact information for any future correspondence, actions or notices on this matter. If you have any questions or require additional information, please contact me.

Sincerely,



Laura Skaer
Executive Director

LS/kw

cc:

Senator Harry Reid
Senator John Ensign
Congressman Jim Gibbons
Congresswoman Shelley Berkley
Congressman Jon Porter
Governor Kenny Quinn

Kathleen Clarke, Director, BLM
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Nevada Bureau of Mines & Geology